

## ***MINUTES***

### ***CLARENDON COUNTY COUNCIL***

#### ***SPECIAL MEETING***

***March 22, 2010 5:00 P.M.***

***F. E. DuBose Career Center Auditorium***

***Manning SC***

**A Special meeting** of the **Clarendon County Council** was held on **Monday, March 22, 2010**, at 5:00 PM in the Auditorium of the F. E. DuBose Career Center in the Alcolu area of Manning, S.C.

#### **In attendance were:**

County Council Chairman Dwight L. Stewart, Jr.  
County Council Vice-Chairman W. J. Frierson  
County Councilman Billy Richardson  
County Councilman Benton Blakely  
County Councilman A. C. English, Jr.  
County Administrator Bill Houser

**Press in attendance:** Bobby Baker with **The Item**

**Others in attendance:** Betty S. Pritchard, Clerk to Council; David W. Epperson, County Attorney; Lynden Anthony, County Controller; Lawrence E. Flynn, III, of Pope Zeigler, LLC; Mia Jackson, Senior Secretary, Administration; Fred and Sandi Tucker, Weldon Auditorium.

**Chairman Stewart opened the meeting at 5:00 PM** with an Invocation after which the Pledge of Allegiance was recited in unison.

Chairman Stewart opened the **Public Hearing** at 5:05 PM for discussion and public comments relative to **Ordinance #2010-02 to Provide for the Issuance and Sale of Not Exceeding Two Million Three Hundred Fifty Thousand Dollar (\$2,350,000) General Obligation Bonds, Series 2010 of Clarendon County, South Carolina, to Prescribe the Purposes for Which the Proceeds Shall be Expended, to Provide for the Payment Thereof, and Other Matters Relating Thereto.** He recognized Lawrence Flynn, Bond Counsel with Pope Zeigler, LLC, and asked him to provide the details pertinent to this Ordinance. Attorney Flynn reported that several months ago when he was reviewing the records for the County, he noticed this GO Bond and its interest rate and recommended to the County Administrator that he might consider refinancing the remaining balance as there could be considerable savings to be realized. Action was taken by the County to solicit bids from banks to refinance the balance of approximately \$ 2,350,000. Several banks expressed an interest in this refinance and BB&T was the successful bidder at a fixed interest rate of 2.8%. Attorney Flynn reported that after paying a 1% penalty for early payout of the original bond issue and the other

expenses relative to the refinance, a savings of approximately \$ 100,000 would be realized over the remaining term. He reported that the refunding Bond is scheduled to close on March 31<sup>st</sup>. Reporter Bobby Baker asked, "What were the bonds originally used for?" Administrator Houser answered that they were used to finance the Sheriff's office (Law Enforcement Center). He explained that the refinance of this original bond will also free up some of the 8% money. Attorney Flynn added that this refunding Bond will refinance the remaining balance only. Chairman Stewart **announced that the Third and Final Reading of this Ordinance #2010-02 will be considered at a Special Council meeting to be held on March 29<sup>th</sup> at 6:00 PM at F. E. DuBose Career Center.** Stewart **closed the Public Hearing at 5:15 PM** and reconvened the Open Session meeting.

**Consideration was given to Second Reading of Ordinance #2010-05 to Authorize Clarendon County to Enter Into an Enterprise Financing Agreement in an Amount Not to Exceed \$ 3,250,000 to be Paid from and Secured by Pledge of An Enterprise Charge Collected by the County (Weldon Project).** Chairman Stewart announced that the Public Hearing for this Ordinance is scheduled for the Regular Council meeting on April 12<sup>th</sup> prior to the Third Reading. He then asked Administrator Houser to provide the background information relative to this Ordinance. Houser explained that the initial plan was to secure this financing last year when the Weldon construction began but the bond market was not receptive to Revenue Bond financing at that time. Therefore, a Bond Anticipation Note (BAN) was secured in the amount of \$ 1.5 million. This proposed Bond is a Revenue Bond in the amount of \$ 3,250,000 and is pledged by the County's Hospitality Fee. The \$ 3,250,000 will pay off the GO Bond and the remaining \$ 1.5 million will finance the finalization of the Weldon project, which includes completion of the interior, the parking lots in front and on the side and the landscaping. Vice-Chairman Frierson questioned whether or not the Revenue Bond is assessed against the 8% funds to which Administrator Houser responded, "No, it will free up the 8% funds." Attorney Epperson explained that the Hospitality Fee will make the payments and the County is not obligated to make payments in the event of default. In response to the question as to whether or not the County can come back and collect taxes in the event of default, Attorney Epperson stated that the County may elect to make payments if they choose; however, they will not be obligated to do so. Houser reported that a reserve account of \$ 450,000 will be escrowed from the Hospitality Fee account, which is equivalent to two years of payments in reserve, and the hospitality fees will continue to be received. He explained that there is a stable track record of receipts from the Hospitality Fee. Councilman English commented, "So, it is highly unlikely we will have to pull any funds from the General Fund." Chairman Stewart commented, "Pledging the Hospitality Fee and having this in reserve will give us an opportunity to find a better interest rate." Sandi Tucker asked the term of the bond and Administrator Houser responded, "25 to 30 years – this will be determined at the closing when all of the factors are in place." Upon motion of Vice-Chairman Frierson, seconded by

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Councilman English, **Council voted unanimously to grant Second Reading to Ordinance #2010-05.** Chairman Stewart again announced that the **Public Hearing for this Ordinance is scheduled for the regular Council meeting on April 12<sup>th</sup>.**

There being no further business, County Council **adjourned at 5:25 PM without objection.**

Respectfully submitted,

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Dwight L. Stewart, Jr., Chairman

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Betty S. Pritchard, Clerk to Council

**CERTIFICATION OF PUBLIC AND MEDIA NOTIFICATION**

*I, Betty S. Pritchard, Clerk to Council, Clarendon County Council, Manning, South Carolina, do hereby certify that public and media notification of the Special Meeting of County Council held on March 22, 2010, at 5:00 PM was given prior thereto by the following means:*

***PUBLIC NOTIFIED:***            *Yes*

***MANNER NOTIFIED:***      *Agenda placed on the bulletin board in the Clarendon County Courthouse and F. E. DuBose Career Center Auditorium*

***DATE POSTED:***            *March 19, 2010*

***MEDIA NOTIFIED:***        *Yes*

***MANNER NOTIFIED:***      *Agenda emailed to THE MANNING TIMES, THE ITEM, and THE FLORENCE MORNING NEWS*

***DATE NOTIFIED:***         *March 19, 2010*

***PUBLIC HEARING***

***ADVERTISED:***              *Advertised in THE ITEM on February 24, 2010*

*Respectfully submitted,*

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*Betty S. Pritchard, Clerk to Council*